



State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Jon M. Huntsman, Jr.
Governor

Kevin S. Carter
Director

675 East 500 South, Suite 500
Salt Lake City, Utah 84102-2818
801-538-5100
801-355-0922 (Fax)
<http://www.trustlands.com>

cc: Paul

May 9, 2007

Oilsand Technology Industry, Utah, LLC
1800 Century Park East # 600
Los Angeles, California 90067

Re: Black Sands Holding Co. Processing and Storage Site. Lands: SW $\frac{1}{4}$ of Section 14, T.4S., R.20E., SLB&M, Division of Oil Gas and Mining File # S/047/081.

Dear Lessee:

Under a now expired lease (ML 47287); Black Sands Holding Company ("Black Sands") established a processing site on land that is now held under lease, ML 50720, by Oilsand Technology Industry, Utah, LLC ("Oilsand"). There is nothing in our records that indicates that Black Sands has authorization from Oilsand to maintain and continue to use the site. If Black Sands is maintaining this site on behalf of Oilsand, the School and Institutional Trust Lands Administration ("SITLA") requires documentation of this relationship. Enclosed are several copies of our Designation of Operator form that is required when third parties are conducting operation on behalf of a lessee of record. This form must be signed by an authorized officer from each party and two original copies must be returned to SITLA. If Oilsand wishes to limit the operations of Black Sands, this form can be customized to suit that purpose.

If you have any question please contact me at (801) 538-5153

Sincerely

William M. Stokes
Minerals Resource Specialist

Enclosures: Designation of Operator Forms